

AMENDED IN ASSEMBLY JUNE 23, 2003

AMENDED IN SENATE JUNE 3, 2003

AMENDED IN SENATE MARCH 10, 2003

**SENATE BILL**

**No. 24**

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**Introduced by Senator Figueroa**

December 2, 2002

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An act to add Section 124034 to the Health and Safety Code, and to add Sections 14148.03, 14148.04, and 14148.05 to the Welfare and Institutions Code, relating to health care.

LEGISLATIVE COUNSEL'S DIGEST

SB 24, as amended, Figueroa. Health care: accelerated enrollment.

(1) Existing law provides for the Medi-Cal program, administered by the State Department of Health Services, under which medical benefits are provided to public assistance recipients and certain other low-income persons.

Existing law provides for the Child Health and Disability Prevention (CHDP) program, administered by the department, under which the governing body of each county is required to establish a community child health and disability prevention program for the purpose of providing early and periodic assessments of the health status of children in the county. Existing law, commencing July 1, 2003, requires that all applications for services under the CHDP program be filed electronically, as prescribed.

Existing law establishes the Healthy Families Program, administered by the Managed Risk Medical Insurance Board, to arrange for the provision of health care services to eligible children meeting certain household income requirements.

Existing law requires the department to develop an electronic application to serve as the application for preenrollment into the Medi-Cal program or the Healthy Families Program and to also serve as an application for the CHDP program, to the extent allowed under federal law.

This bill would create the CHDP “Deemed Eligible” Infants Gateway ~~under~~, which ~~the CHDP program~~ would be required to confirm the eligibility of, and issue a Medi-Cal card to, any child under the age of one year who is deemed to have applied and is deemed eligible for Medi-Cal pursuant to federal law and on whose behalf Medi-Cal coverage is sought through the CHDP program. By imposing new duties on counties, this bill would create a state-mandated local program.

(2) Existing law requires the department to adopt a federal medicaid option to extend eligibility for Medi-Cal benefits to certain pregnant women.

Existing law establishes the Access for Infants and Mothers (AIM) program, administered by the Managed Risk Medical Insurance Board, to provide health insurance coverage for certain eligible persons who pay a subscriber contribution.

This bill would require, on or before July 1, 2004, that the form used to implement the above-described medicaid option also qualify as a simplified application for the Medi-Cal program for those pregnant women or, if necessary to ensure federal financial participation, that the form be modified to add only those elements required for federal financial participation. The bill would require, for purposes of this provision, the department to determine whether to grant eligibility for temporary benefits under the medicaid option, the county to make the final eligibility determination for the Medi-Cal program, the department to develop and adopt a process for transferring the application to the county, and, based on the department’s instructions, the county to determine if followup is necessary to determine the woman’s final eligibility for the Medi-Cal program or to refer the woman to the AIM program.

The bill would require, on or before July 1, 2004, the department to adopt an electronic enrollment process, that would be known as the Prenatal Gateway, for pregnant women to use when applying for Medi-Cal from a provider’s office, if sufficient funding is obtained, as specified.



By modifying the Medi-Cal eligibility determination process, this bill would increase the responsibilities of counties in the administration of the Medi-Cal program, thereby imposing a state-mandated local program.

The bill would require the department to adopt an electronic process, to be known as the Newborn Hospital Gateway, for families to enroll a newborn ~~and any other eligible children in the newborn's family~~ in the Medi-Cal program ~~or the Healthy Families Program~~ from hospitals that have elected to participate in the process, if sufficient funding is obtained, as specified.

(3) This bill would establish the Gateway Fund in the State Treasury, to be composed of ~~3~~ 4 accounts, as prescribed, the moneys in which may be expended, upon appropriation by the Legislature, for purposes of the bill.

(4) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement, including the creation of a State Mandates Claims Fund to pay the costs of mandates that do not exceed \$1,000,000 statewide and other procedures for claims whose statewide costs exceed \$1,000,000.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1 SECTION 1. The Legislature finds and declares all of the  
2 following:

3 (a) Recent studies show that the highest infant mortality rates  
4 in California are in the Central Valley, that African-American  
5 infants have disproportionately higher mortality rates than the rest  
6 of the population, and that eligible Hispanic women enroll in the  
7 Medi-Cal program and begin prenatal care late in pregnancy  
8 posing risks to both the mother and the newborn.

9 (b) Simplifying the enrollment procedures into the Medi-Cal  
10 program for pregnant women and children is necessary to promote

1 access to timely health services that can save lives and prevent  
2 disabilities.

3 (c) Providing prenatal care and health services in the first years  
4 of life can prevent more costly long-term chronic illnesses and  
5 disabilities.

6 (d) It is in the state's best interests to realize the savings that will  
7 result from enrolling more of the currently eligible pregnant  
8 ~~women, newborns, and children into health programs and to~~  
9 *women and newborns into health programs as early as possible*  
10 *and to maximize receipt of federal matching funds to support these*  
11 ~~programs instead of continuing to return to the federal government~~  
12 ~~millions of unspent funds. programs.~~

13 SEC. 2. Section 124034 is added to the Health and Safety  
14 Code, to read:

15 124034. (a) Notwithstanding any other provision of law,  
16 including the preenrollment procedures applicable to children  
17 specified in Section 14011.7 of the Welfare and Institutions Code  
18 for the Child Health and Disability Prevention (CHDP) program,  
19 the department shall confirm the eligibility of, and issue a  
20 Medi-Cal card to, any child under the age of one year who is  
21 deemed to have applied and is deemed eligible for Medi-Cal  
22 benefits pursuant to Section 1396a(e)(4) of Title 42 of the United  
23 States Code and on whose behalf Medi-Cal coverage is sought  
24 through the CHDP program. The Medi-Cal card issued pursuant  
25 to this section shall be valid until the child's first birthday.

26 (b) Notwithstanding any other provision of law, if Medi-Cal  
27 coverage is sought pursuant to this section, the department shall  
28 not require, on behalf of the child and as a condition of eligibility,  
29 that an application be submitted or that any other referrals of the  
30 child be made, to the department, a single point of entry, or the  
31 county.

32 (c) The requirements of this section shall be known as the  
33 CHDP "Deemed Eligible" Infants Gateway.

34 SEC. 3. Section 14148.03 is added to the Welfare and  
35 Institutions Code, to read:

36 14148.03. (a) On or before July 1, 2004, pursuant to options  
37 provided in federal law and notwithstanding any other provision  
38 of law, the form used by a provider to collect information about a  
39 pregnant woman pursuant to the Medi-Cal temporary benefits  
40 program under Section 14148.7 as that program is implemented on

1 January 1, 2003, shall itself qualify as a simplified application for  
2 the Medi-Cal program for pregnant women, or, if necessary to  
3 ensure federal financial participation, the form shall be modified  
4 to add only those elements required for federal financial  
5 participation and be as simple as the department considers  
6 practicable.

7 (b) For purposes of this section, the department shall determine  
8 whether to grant eligibility for temporary benefits under Section  
9 14148.7 and the county shall make the final eligibility  
10 determination for the Medi-Cal program. The department shall  
11 develop and adopt a process for transferring the application to the  
12 county and a followup process that is as simple as the department  
13 considers practicable to be used by the county if followup is  
14 necessary. Based on the department's instructions, the county shall  
15 make a determination whether followup is necessary to determine  
16 the woman's final eligibility for the Medi-Cal program or to refer  
17 the woman to the Access for Infants and Mothers (AIM) program.  
18 If additional information is required, the applicant shall be given  
19 at least 60 days from the date of a request for additional  
20 information to respond to that request.

21 (c) On or before July 1, 2004, the department shall adopt an  
22 electronic enrollment process for pregnant women to use when  
23 applying for the Medi-Cal program from a provider's office. The  
24 application form for this electronic enrollment shall use the  
25 elements of the application form described in subdivision (a) and  
26 the procedures specified in subdivision (b). This electronic  
27 enrollment process shall be known as the Prenatal Gateway. In  
28 developing the Prenatal Gateway required by this subdivision, the  
29 department shall consult with an advisory committee of consumer,  
30 provider, county, and health plan representatives.

31 (d) The purpose of this section is to begin eligibility and  
32 benefits at the time of an eligible pregnant woman's visit to a  
33 provider and to continue eligibility and benefits until a final  
34 eligibility determination is made without the submission of any  
35 other application form to the department, the county, or a single  
36 point of entry and to make the followup process as simple as the  
37 department considers practicable.

38 (e) The Prenatal Gateway may not be adopted until sufficient  
39 moneys have been deposited in the Special Funds Account of the

1 Gateway Fund to defray the costs of developing the Prenatal  
2 Gateway.

3 SEC. 4. Section 14148.04 is added to the Welfare and  
4 Institutions Code, to read:

5 14148.04. (a) The department shall adopt, as specified in this  
6 section, an electronic process for families to enroll a newborn ~~and~~  
7 ~~any other eligible children in the newborn child's family~~ in the  
8 Medi-Cal program ~~or the Healthy Families Program~~ from  
9 hospitals that have elected to participate in the process. The  
10 electronic enrollment process adopted pursuant to this section  
11 shall be known as the Newborn Hospital Gateway.

12 (b) With respect to the enrollment of a child under the age of  
13 one year who is deemed to have applied and is deemed eligible for  
14 Medi-Cal benefits under Section 1396a(e)(4) of Title 42 of the  
15 United States Code, on or before July 1, 2004, the enrollment  
16 procedures of the Newborn Hospital Gateway shall comply with  
17 the requirements of Section 124034 of the Health and Safety Code  
18 and specifically include procedures for confirming the eligibility  
19 of, and issuing a Medi-Cal card to, that child.

20 (c) In developing the Newborn Hospital Gateway required by  
21 this section, the department shall consult with an advisory  
22 committee of consumer, provider, county, and health plan  
23 representatives.

24 (d) The Newborn Hospital Gateway may not be adopted until  
25 sufficient moneys have been deposited in the Special Funds  
26 Account of the Gateway Fund to defray the costs of developing the  
27 Newborn Hospital Gateway.

28 SEC. 5. Section 14148.05 is added to the Welfare and  
29 Institutions Code, to read:

30 14148.05. (a) There is hereby created in the State Treasury  
31 the Gateway Fund.

32 (b) Moneys in the fund may be expended, upon appropriation  
33 by the Legislature, *exclusively* for purposes of ~~implementing~~  
34 *establishing and maintaining* the CHDP "Deemed Eligible"  
35 Infants Gateway, as provided for in Section 124034 of the Health  
36 and Safety Code, the Prenatal Gateway, as provided for in Section  
37 14148.03, and the Newborn Hospital Gateway, as provided for in  
38 Section 14148.04, and in accordance with subdivision (c).

39 (c) The fund shall consist of the following accounts:



1 ~~(1) The Federal Funds Account, which shall consist of all~~  
2 ~~public funds received by the Controller from nonstate sources, and~~  
3 ~~the interest accrued thereon. The funds in this account shall be used~~  
4 ~~exclusively for implementation of Section 124034 of the Health~~  
5 ~~and Safety Code.~~

6 ~~(2)–~~

7 (1) The State ~~Public~~ General Funds Account, which shall  
8 consist of all ~~public~~ general funds received by the Controller from  
9 state sources, and the interest accrued thereon. This account shall  
10 be limited to one hundred ninety-six thousand dollars (\$196,000).  
11 The funds in this account shall be used exclusively for  
12 ~~implementation~~ *the purposes* of Section 124034 of the Health and  
13 Safety Code.

14 ~~(3)–~~

15 (2) The Special Funds Account, which shall consist of all funds  
16 received by the Controller from private foundations and other  
17 nongovernmental sources and interest accrued thereon. Moneys in  
18 this account shall be used exclusively for the ~~purpose of~~  
19 ~~implementing~~ *purposes of* Sections 14148.03 and 14148.04.

20 (3) *The Other Public Funds Account, that shall consist of all*  
21 *public funds, other than federal or state general funds, received by*  
22 *the Controller from state or local sources, including, but not*  
23 *limited to, funds received under the California Families and*  
24 *Children Act of 1998, Division 108 (commencing with Section*  
25 *130100) of the Health and Safety Code (Proposition 10), and the*  
26 *interest accrued thereon.*

27 (4) *The Federal Funds Account, which shall consist of all*  
28 *public funds received by the Controller from federal sources, and*  
29 *the interest accrued thereon.*

30 SEC. 6. Notwithstanding Section 17610 of the Government  
31 Code, if the Commission on State Mandates determines that this  
32 act contains costs mandated by the state, reimbursement to local  
33 agencies and school districts for those costs shall be made pursuant  
34 to Part 7 (commencing with Section 17500) of Division 4 of Title  
35 2 of the Government Code. If the statewide cost of the claim for  
36 reimbursement does not exceed one million dollars (\$1,000,000),  
37 reimbursement shall be made from the State Mandates Claims  
38 Fund.

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